

Early signs for hope at new Cape May Convention Hall

CAPE MAY — Joe Bogle is selling more fudge, so he's pleased with the new \$10.5 million Cape May Convention Hall.

Bogle, owner of The Original Fudge Kitchen just east of the new hall on The Promenade, is one of many merchants reporting an increase in sales since the hall opened Memorial Day weekend.

"It's certainly helped our business," Bogle said. "I wouldn't call it a dramatic increase, but it helped. We stay open all the time, and last winter it was tough."

Convention centers can add millions in revenue to a tourist economy. Their biggest impact is not felt in the summer, but in the off-season, when concerts, conferences and other events draw people who might not be visiting otherwise.

Cape May can look to find its place in the convention market in September-November and March-May, the months when the weather is usually still comfortable enough for visitors to come to the shore, said Richard Stockton College of New Jersey associate professor Michael Busler, an economist and fellow at the school's William J. Hughes Center for Public Policy.

"Numerous organizations hold conventions annually," Busler said. "Cape May might be able to find a niche in the market that doesn't require 10,000 rooms."

This summer's bump in business follows some of the worst years on the beachfront since the old hall closed in 2008 and the city's only movie theater, located across the street, was demolished last year. Local business owners say they noticed a difference this summer.

The city is pleased with how the center has proved itself as a performing arts center, drawing thousands to concerts. Next, the city looks to host seminars and conferences to add to that aspect of the building. A one-day social media conference is scheduled for today.

While it's too soon to assess the economic impact Cape May's hall will have on the city's tourism economy, it's clear there is potential.

John Siciliano, executive director of the

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1 of 3 9/20/2012 11:54 AM



Greater Wildwoods Tourism Improvement and Development Authority, said the Wildwoods Convention Center, which hosts about 220 event days and 151 groups each year, brings in 240,000 visitors annually and 132,000 room nights.

The center has contributed what he estimated to be more than \$200 million to the local economy since 2002.

"We are now doing things in February and March and October and November we could never do before," Siciliano said.

Busler said the Wildwoods Convention Center is an example of a facility outside Atlantic City that has found its place in the convention market, hosting what are known as SMERF events: Social, Military, Educational, Recreational and Fraternal conventions and groups.

If Cape May could find its own unique market, those off-season months could become a boon, he said.

Before it closed, the old Convention Hall hosted 260 events a year. Mayor Ed Mahaney said he expects the new hall to host that many events by its first anniversary. The timetable for building a strong business base for fall will take longer — three to four years, he estimated.

But with the new hall gaining momentum, Matt Morrow, owner of Morrow's Nut House, a Promenade landmark since the 1950s, said he's not ruling out staying open longer, possibly through Thanksgiving. Morrow's has been closing on Columbus Day weekend.

There are still some problems: The movie theater is gone and nothing has been built to replace it. There are four vacant storefronts next door. A plan to build condominiums seems to be on hold due to the economy. Talk of building a boutique hotel on the site hasn't gained much traction.

"I don't even care if it's another restaurant. We need to fill up those stores," said Jane Wood, who owns Zoe's, an eatery on the corner.

The city has yet to rent out one of its two retail spaces in the new hall, although it did fill one with Pete Smith's Surf Shop through a contract that guaranteed it stays open in the shoulder seasons but at a reduced rent.

"I made a commitment to this store. I had to have trust in the city, and so far it seems to be a worthwhile investment. The real

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2 of 3 9/20/2012 11:54 AM



name of the game is the off season," said Bill Lauth, owner of the surf shop.

The key may be the type of events the hall draws. The summer featured quite a few concerts with bands from the 1960s, which were very successful, although merchants complained most concertgoers left right after the show.

"Events were at night," Wood said. "They go to the event and go home. It's an older crowd and they don't go out and eat and drink."

However, Wood said, said business was decent this summer and she feels it will improve.

Fall events include a bird show, bridal show, arts and crafts fairs, and the Exit 0 International Jazz Festival in November.

Mahaney said plans also are being made for Christmas events in December, i ncluding a free holiday show, concerts, and roller skating during the winter months. Some private weddings also are scheduled, which will draw people to the beachfront. Mahaney said there also are several people interested in the empty retail space at the hall.

And while the national economy could keep some visitors away, Mahaney has argued that poor economic times are a good time to fix up the city's infrastructure, to be ready when the economy bounces back.

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3 of 3 9/20/2012 11:54 AM